

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34-54914; File No. SR-Phlx-2006-81)

December 11, 2006

Self-Regulatory Organizations; Philadelphia Stock Exchange Inc.; Notice of Filing of Proposed Rule Change Relating to the Establishment of a Maximum Number of Quoting Participants Permitted in a Particular Option on the Exchange

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on December 5, 2006, the Philadelphia Stock Exchange, Inc. (“Phlx” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been substantially prepared by the Phlx. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Phlx proposes to amend Phlx Rule 507,<sup>3</sup> which governs the assignment of options to Streaming Quote Traders (“SQTs”)<sup>4</sup> and Remote Streaming Quote Traders

---

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> Phlx Rule 507 sets forth the process by which the Committee assigns or reassigns options to eligible Streaming Quote Traders and Remote Streaming Quote Traders. See Phlx Rule 507.

<sup>4</sup> An SQT is an Exchange Registered Options Trader (“ROT”) who has received permission from the Exchange to generate and submit options quotations electronically through AUTOM in eligible options to which such SQT is assigned. An SQT may only submit such quotations while such SQT is physically present on the floor of the Exchange. See Phlx Rule 1014(b)(ii)(A).













